



## State of Connecticut

### SENATE

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Testimony  
Senator Rob Kane  
Planning & Development Committee  
March 11, 2016

S.B. No. 421 An Act Concerning Community Empowerment and the Neighborhood Assistance Act

Senator Osten, Representative Miller, Senator Linares, and Representative Aman, thank you for the opportunity to testify in support of S.B. No. 421 An Act Concerning Community Empowerment and the Neighborhood Assistance Act.

This proposal is part of a compilation of proposals Senator Fasano has developed aiming to break the cycle of poverty in our state and strengthen our cities so that all people, no matter where they were born and no matter where they live, can embrace their right to opportunity in this great nation.

I agree with Sen. Fasano when he says the strength of our state depends on the strength of our cities. My district surrounds Waterbury, a great Connecticut city in which positive growth would certainly benefit economic growth across the state.

I think we can all agree that our state should be working hard to support our cities and empower them to grow and prosper. However, I don't believe the current system of throwing money at the problems in our cities is the right way to spark progress, sustainable development, and lasting growth. Often, giving money to city hall does not always directly improve the lives and well-being of city residents. Instead of blind funding for city halls, we need to think innovatively and empower residents to decide what they need as a community to prosper.

In the past five years over \$6 billion of state taxpayer revenue has been provided to the cities of Hartford, New Haven, Bridgeport and Waterbury. During this same time period, the poverty rate has continued to climb and food stamp utilization in the state has increased by approximately 60,000. The city of Hartford which alone received close to 33%, or \$2 billion of the \$6 billion total, has also realized a significant increase in their unemployment rate and is currently living through an unsettling spike in their homicide rate.

What we are doing right now is not working. S.B. 421 proposes a new method to support our cities, one that is based on empowering residents to make funding decisions within their own local communities.

The "Community Empowerment" Program proposed in this bill would remove municipalities from the position of power broker and transfer the decision making to a broader community as a whole. It would provide an investment directly into Connecticut's municipalities as it aims to direct funding to programs that are deemed important by those who reside in the community.

All too often state funds flow to a municipality and the benefits of these funds are not directly felt by the residents of the community. The provisions of the Municipal Revenue Sharing Account adopted during the last

legislative session pour millions of dollars into municipalities without any requirements of how the money will be spent. In the end, these funds can simply be used for political means by hiring additional staff at town hall. This action does not help the single mother with three children living just down the street. Nor does it help the junior in high school that is doing all that he can do to graduate and make a living for himself.

The Community Empowerment Program redefines how municipalities can spend their enhanced PILOT reimbursement or general state sales tax sharing funds by requiring the following distribution of funds:

- 35% will be spent on priorities of Community Investment Boards (CIBs) as approved by a vote of the municipality;
- 35% will be spent on priorities of the municipality; and
- The remaining 30% will be made available for expenditure if the CIBs and municipal officials can agree on the expenditure;
- If the municipality and the CIBs cannot agree, the 30% will remain with the state.

Community Investment Boards would be comprised of all stakeholders in a community including residents, businesses, local religious leaders, community development corporations and other community groups. For municipalities with large populations, there would be one board for every neighborhood to allow for the hyper-local neighborhood-centric model this program aims to create.

Having decisions be made by community stakeholders ensures a homegrown method of solving problems. If assistance is ultimately provided to the programs local residents want supported, from job training to child care, residents will feel empowered, strengthening their will to effectuate change.

Another section of this bill would establish an "Urban Challenge" website which will invite people and organizations to submit their own ideas for dealing with specific urban area problems, further empowering people in the community. If a viable suggestion is offered, a pilot program can be implemented in a selected neighborhood. A state entity would monitor the policy's implementation and assess the results. In addition, the state would provide a small monetary award for "solving" a particular problem similar to Eli Lilly's InnoCentive initiative.

Finally, this bill also proposes establishing a commission to enhance accountability within our cities by examining community non-profit providers. The state's non-profit provider system is absolutely critical for the state to provide services for Connecticut citizens in a cost-effective manner. There are hundreds if not thousands of these providers that receive state funding, but there is currently no mechanism to ensure that funding to any given provider is spent in an efficient and cost-effective manner. As a result, those providers that excel at their job are supported the same as those that may not be as effective. This initiative would create a bipartisan commission to review the various requirements that may currently be required by state agencies. This commission would further be charged with developing recommendations on a standard set of outcomes that would be required of all non-profit providers that receive state funding. This proposal would also assist the non-profits by streamlining reporting across state agencies.

Also, while not mentioned in this bill specifically, I would like to speak in support of remarketing the existing Neighborhood Revitalization Zone Program to further promote social capital. This current program encourages individuals and businesses in distressed neighborhoods to work collaboratively to prepare and implement strategic plans to revitalize their neighborhood. Once a municipality establishes a zone, a neighborhood committee is established and submits complete plans to the Office of Policy and Management. The state then assists in the revitalization of the neighborhood by providing comments on the proposed plans, coordinating state agencies to support the plans of the NRZs, and expediting the review of requests for modifications to codes and regulations that are identified as impediments to achieving goals and objectives. As we consider other methods to enhance community development, revisiting the NRZ program would benefit the state further.

Please note, the last portion of this bill regarding the neighborhood assistance act is separate from the caucus proposal and I believe was combined with these other proposals in error. I ask that the committee consider separating the neighborhood assistance proposal from this particular proposal package.

In closing, I thank the Committee for the opportunity to testify today in support of S.B. 421. Empowering people in our cities is key to bringing success, prosperity and growth into our urban centers and sparking positive change across the state.

Thank you.

A handwritten signature in black ink, appearing to read 'Rob Kane', with a stylized, flowing script.

Senator Rob Kane